

Federal Q&A (2007 High School Counselor Video Conference)
[Questions in bold.]

Study Abroad

Can a student borrow federal aid to study abroad through a foreign institution (i.e., not as a student associated through a U.S. college or university)?

Generally not. A student must be in a degree or certificate program in a school that has signed a Program Participation Agreement with the Dept of Education. If the student is in a US school and wants to study at a foreign university, generally their home school would process aid for them if the program is an eligible one. But a student who attends a foreign university without being admitted at a US school approving the Study Abroad experience generally would not be eligible for federal aid. There are a small number of foreign universities that have agreements with the US Department of Education to allow borrowing for eligible US students who are in approved programs of study at those institutions.

FAFSA

Clarification of paper FAFSA completion: if a student does not have access to the Internet, can a paper application be printed and completed by hand and then mailed in? It sounded as if the only option was to complete the FAFSA online and then print the completed paper FAFSA to then be mailed in with the required signatures.

Yes, the FAFSA will be available in PDF format that may be printed, completed by hand, signed, and mailed in. Schools may want to print and hand out paper forms to students without Internet access. Students have the option of completing the form on line and then printing, signing, and mailing also.

If a student at Michigan State is getting a dual degree and graduates with one degree this May '08 and then the other degree in December '08, are they eligible for aid from May to December?

Yes, in this case the student would be eligible for aid from May to December, but would not be eligible for Pell Grant or SEOG, which is reserved specifically for students working on the first undergraduate degree. However, the student would still be eligible for loans and institutional aid available to undergraduates with a baccalaureate degree; the amounts would depend on the EFC from the FAFSA.

Regarding dependent students, does the statement that the FAFSA be done with the parent who supported the student the last 12 months refer to the calendar year 2007 or the most recent 12 months?

It refers to the 12 months immediately prior to the date that the FAFSA is completed.

Do students who are foreign born qualify for federal aid, scholarships, grants, etc.? Is there a state office/officer to assist with this issue?

Foreign-born US citizens are eligible for federal aid. Foreign-born non-citizens can qualify as eligible noncitizens per the FAFSA instructions which specify the difference between aid-eligible and non-aid-eligible noncitizens.

Eligible noncitizens include permanent residents holding a I-551, I-551C, or I-94 card, or document. Students holding F1 or F2 student visas, a J1 or J2 exchange visitor visa, or a G series visa are not eligible.

Only US citizens are eligible for the Academic Competitiveness and SMART grants.

Students who have questions about their status should consult with the financial aid office at their school. Aid offices routinely work with the federal Department of Homeland Security (DHS) to document student citizenship/permanent residence status.

Wanted to clarify: can a high school graduate entering as a freshman in the fall use financial aid for the summer in between if they want to get a head start on their schooling? (becoming more of a trend)

Yes if the student is admitted as a regular student for summer. Whether the FAFSA filed for the upcoming fall can be used or whether a current year FAFSA must be filed depends upon the school's policy. Some schools define the aid year with Summer at the beginning (Summer-Fall-Winter-Spring) and some put Summer at the end (Fall-Winter-Spring-Summer). If the student is allowed to take summer courses (a decision of the Office of Admissions) then the student should consult the Financial Aid Office to see which FAFSA is required for the summer session.

Please clarify as it wasn't in the federal updates (like last year): legal guardians (not the parents) do not complete the FAFSA, correct?

Correct. Only the parents or adopted parents should complete the parent portion of the FAFSA. Legal guardians are not parents for purposes of the FAFSA.

Unfortunately, in this day and time there are many students who do not reside with their natural parents. They reside with grandparents, aunts, uncles, or other relatives without there being a legal guardianship in place. How do these students factor in a complete FAFSA? Will they be allowed to apply with an independent status? Or, do they use the data of the relative that they reside?

This depends upon the circumstances. Most schools are familiar with such situations and have developed a list of recommended documentation that they request to determine the student's situation. If there is no contact with the parents, often the student will be allowed to apply as independent, but the school makes the final determination. As mentioned in the above question, students should not file a FAFSA where the parent portion is completed by someone not their legal parent(s).

Does it make a difference for financial aid if you have students in graduate school and also undergrad?

It may. Parents may include students as a part of their household if they are contributing more than half of their support. Even though a graduate student is considered independent for financial aid purposes, when the parents are completing the FAFSA for the child who is an undergraduate, they may include their other children who are graduate students if they truly support them more than 50% during the academic year.

Isn't registering for selective service required for receiving federal aid?

Yes, male students must register with the Selective Service to receive federal aid if they are between the ages of 18 and 25.

Does that mean a person can register for selective service via the FAFSA? Can they check a box?

Yes, marking "yes" on question 22 allows the Selective Service to register the student.

Does a parent keep the same PIN (access code) if they need to fill out FAFSA's for more than one child?

Yes, the PIN is the parent's legal signature and is used when the parent completes the FAFSA for any and all children in their family.

With the current housing prices in the state and U.S., could a housing foreclosure negatively affect the student aid even though both parents are working?

The net value of the primary residence is not counted on the FAFSA. If the parents have excessive debt, a legal judgment against them, or incur significant new expenses to obtain housing after a foreclosure, they can ask for a second review through professional judgment. The parents should consult a financial aid advisor at their school to discuss whether they are eligible for a special circumstances review.

ACG and SMART Grant programs

How does the FAFSA know about HS rigor, etc. to determine Academic Competitiveness grants and SMART Grant programs? Do individual colleges assess this information? Is it college driven?

The data on the FAFSA does not include all the information necessary to determine ACG or SMART grant eligibility. That determination is made by the college or university. In the case of ACG, the institution will collect a high school transcript or other documentation to determine the rigor of the student's high school curriculum. Each school must develop its own approach for collecting and reviewing this information but there is an assumption that similar decisions are being made about the rigor of the HS curriculum. Eligibility for the SMART grant is determined by the student's college major and college GPA, so the institution has the data necessary to make that decision.

Do students who attend a college or university outside of Michigan still have an opportunity for the Academic Competitiveness Grant and the SMART Grant? Also, how are these grants accessed?

Yes, these are federal grants and students attending any US college are considered for eligibility. The financial aid office at the school they are attending will determine eligibility and make the award to the student. In the case of ACG, it is expected that a college will review the HS transcripts for students from other states and apply the rigor test.

For the Academic Competitiveness Grant, it says ED provides five categories of rigorous curricula. Does the student have to meet all five categories?

No. There are five different ways a student can qualify. The student has to meet only one of them to be eligible. The most straightforward category is the State Honors Initiative which requires 4 Years of English, 3 Years of Math, 3 Years of Science, 3 Years of Social Studies, and 1 Year of Foreign Language.

For the SMART Grant: “determining if a student is in a specific major;” does this mean a high school “major?” If so, how is a major declared in high school?

No, this refers to the college major. Students are not eligible for SMART until reaching college junior status, at which time they must declare their intended major for SMART eligibility purposes.

Teach Grant

Final rules have yet to be established for Teach Grants, so the responses below are based upon the information available as of this date, and may be subject to change.

Do they (students) have to be full time or part time to qualify?

Full time undergraduate students are eligible for the maximum grant amount of \$4000 per year. Grants will be prorated for part-time undergraduate students (i.e., a half-time student would receive \$2000).

Can they teach in several schools or does it have to be the same school?

This has not been specified. In other similar service-contingent programs, the rules have allowed multiple schools as long as all meet the federal standard of disadvantage. This should be clarified in the Department's Negotiated Rulemaking which will begin later this month.

What is the definition of an "underserved" school?

The current definition is:

- a) a school where a high percentage of students are from families with incomes below the poverty line;
- b) a school where a high percentage of teachers are not teaching in the content area in which they were trained to teach; OR
- c) a school with a high teacher turnover rate.